

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-022501A

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Arizona Windsong Realty, Inc.
PO Box 261
Sanders, AZ 86512

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

7-8-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>AZ. WINDSONG Realty</u>		
Mailing Address <u>PO Box 261</u>		
<u>Sanders</u> (City)	<u>AZ.</u> (State)	<u>86512</u> (Zip)
<u>928-688-2398</u> Telephone No. (Include Area Code)	<u>928-688-2467</u> Fax No. (Include Area Code)	<u>-0-</u> Pager/Cell No. (Include Area Code)
Email Address <u>Box 261 -0-</u>		
Local Office Mailing Address <u>Box 261</u>		
<u>Sanders</u> (City)	<u>AZ.</u> (State)	<u>86512</u> (Zip)
<u>-0-</u> Local Office Telephone No. (Include Area Code)	<u>-0-</u> Fax No. (Include Area Code)	<u>-0-</u> Pager/Cell No. (Include Area Code)
Email Address <u>-0-</u>		

MANAGEMENT INFORMATION

Management Contact: <u>H-H Water MANAGEMENT</u>		
<u>Box 870</u> (Street)	<u>ST. Johns AZ</u> (City)	<u>85936</u> (State) (Zip)
<u>928-587-6838</u> Telephone No. (Include Area Code)	<u>-0-</u> Fax No. (Include Area Code)	<u>-0-</u> Pager/Cell No. (Include Area Code)
Email Address _____		
On Site Manager: <u>Pat Paulsel</u>		
<u>Box 261</u> (Street)	<u>Sanders</u> (City)	<u>AZ. 86512</u> (State) (Zip)
<u>928-688-2398</u> Telephone No. (Include Area Code)	<u>928-688-2467</u> Fax No. (Include Area Code)	<u>-0-</u> Pager/Cell No. (Include Area Code)
Email Address <u>-0-</u>		

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent:

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney:

DAVID DAVIES

(Name)

Sweet 236 North Bend NORTH 40th ST Phoenix AZ.

(Street)

(City)

(State)

(Zip)

602-956-1521

602-956-1765

-0-

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)☒ C Corporation (C) (Other than Association/Co-op)☐ Partnership (P)☐ Subchapter S Corporation (Z)☐ Bankruptcy (B)☐ Association/Co-op (A)☐ Receivership (R)☐ Limited Liability Company☐ Other (Describe)**COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE☐ COCHISE☐ COCONINO☐ GILA☐ GRAHAM☐ GREENLEE☐ LA PAZ☐ MARICOPA☐ MOHAVE☐ NAVAJO☐ PIMA☐ PINAL☐ SANTA CRUZ☐ YAVAPAI☐ YUMA☐ STATEWIDE

COMPANY NAME

*Ch Windson Realty*UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	2,560 ⁰⁰	1,000 ⁰⁰	1,560 ⁰⁰
307	Wells and Springs	7,848 ⁰⁰	2,500 ⁰⁰	5,348 ⁰⁰
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	94,869.00	25,000 ⁰⁰	69,869 ⁰⁰
331	Transmission and Distribution Mains	23,869.00	8,650 ⁰⁰	24,219 ⁰⁰
333	Services	7,520 ⁰⁰	1,950 ⁰⁰	5,570 ⁰⁰
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	5,000 ⁰⁰	1,400 ⁰⁰	3,600 ⁰⁰
341	Transportation Equipment	5,000 ⁰⁰	2,000 ⁰⁰	3,000 ⁰⁰
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	3,000 ⁰⁰	1,000 ⁰⁰	2,000 ⁰⁰
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	125,797.00	43,500.00	82,297.00

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ — 0 —	\$ — 0 —
134	Working Funds	500.00	500.00
135	Temporary Cash Investments	— 0 —	— 0 —
141	Customer Accounts Receivable	— 0 —	— 0 —
146	Notes/Receivables from Associated Companies	— 0 —	— 0 —
151	Plant Material and Supplies	3,000.00	3,000.00
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 8,000.00	\$ 8,000.00
	FIXED ASSETS		
101	Utility Plant in Service	\$	\$
103	Property Held for Future Use		
105	Construction Work in Progress	None	None
108	Accumulated Depreciation – Utility Plant	45,000.00	45,000.00
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$	\$
	TOTAL ASSETS	\$	\$

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME

A2. WINDSONG Realty

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ - 0 -	\$ - 0 -
232	Notes Payable (Current Portion)	- 0 -	- 0 -
234	Notes/Accounts Payable to Associated Companies	- 0 -	- 0 -
235	Customer Deposits	2,500 ⁰⁰	2,500 ⁰⁰
236	Accrued Taxes	- 0 -	- 0 -
237	Accrued Interest	- 0 -	- 0 -
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 2,500 ⁰⁰	\$ 2,500 ⁰⁰
	LONG-TERM DEBT (Over 12 Months)	- 0 -	- 0 -
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$	\$

COMPANY NAME A2 WINDSONG REALTY

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME

A2 WINDSONG Realty

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 12,560.00	\$ 12,460.00
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 12,560.00	\$ 12,460.00
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance	8,842.00	11,560.00
621	Office Supplies and Expense		
630	Outside Services		
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense		
408	Taxes Other Than Income		
408.11	Property Taxes	649.48	727.12
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$	\$
	OPERATING INCOME/(LOSS)	\$	\$ - 637.12
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$	\$ - 637.12

COMPANY NAME

A2 WINDSONG REALTY

Name of System

ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
01009	5 HP	20	64'	14'		1951

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
	ONE		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
40 TH. Gal	ONE	1,000 Gal	ONE

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	172 WINDSONG Realty
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	76
3/4	
1	
1 1/2	
2	ONE
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

man vley TREATED

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:

Name of System

ADEQ Public Water System Number (if applicable)

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	50	APR. 320,000		
FEBRUARY	49			
MARCH	52			
APRIL	52			
MAY	52			
JUNE	52			
JULY	52			
AUGUST	52			
SEPTEMBER	52			
OCTOBER	52			
NOVEMBER	52			
DECEMBER	52			
TOTALS →			7	

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME A2 WINOSON6 REG LT YEAR ENDING 12/31/2006**PROPERTY TAXES**Amount of actual property taxes paid during Calendar Year 2006 was: \$ 727¹²

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED
OF THE

COUNTY OR COUNTY NAME	APACHE
NAME (OWNER OR OFFICIAL) TITLE	Pat Paulsey
COMPANY NAME	A2. WINDSONG Water Co

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



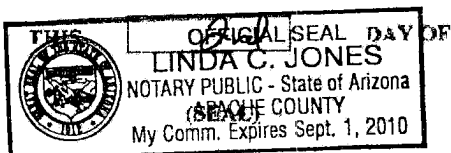
SIGNATURE OF OWNER OR OFFICIAL

928-688-7467

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

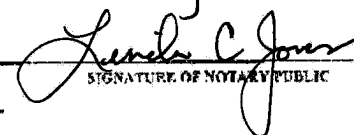
A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES

9-1-2010

COUNTY NAME	Apache	
MONTH	July	2008



SIGNATURE OF NOTARY PUBLIC

COMPANY NAME _____ YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability12,460.00
-0-State Taxable Income Reported
Estimated or Actual State Tax Liability12,460.00
38.00

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances-0-
-0-
-0-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Pat Paulsell

SIGNATURE

06-30-08

DATE

Pat Paulsell

PRINTED NAME

06-30-08

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) APACHE
NAME (OWNER OR OFFICIAL) TITLE Pat Paulsell
COMPANY NAME A2 WINDSONG WATER

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 12,460.00

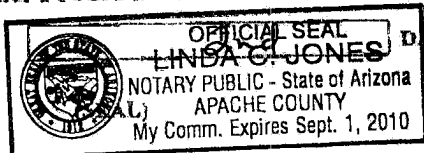
(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 12,460.00
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

MY COMMISSION EXPIRES 9-1-2010

Pat Paulsell

SIGNATURE OF OWNER OR OFFICIAL
928-688-2398

TELEPHONE NUMBER

COUNTY NAME Apache	
MONTH July	YEAR 2008

Linda C. Jones

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

VERIFICATION**STATE OF ARIZONA****I, THE UNDERSIGNED****OF THE**

COUNTY OF (COUNTY NAME)	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 12,460.00

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 12,460.00
IN SALES TAXES BILLED, OR COLLECTED)

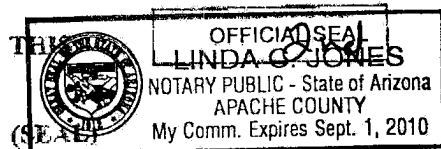
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Pat Paul
SIGNATURE OF OWNER OR OFFICIAL

928-688-2398
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES 9-1-2010

NOTARY PUBLIC NAME <u>Linda C. Jones</u>	
COUNTY NAME <u>Apache</u>	
MONTH <u>July</u>	20 <u>08</u>

X *Linda C. Jones*
SIGNATURE OF NOTARY PUBLIC